

**URGENT**  
**PRESS RELEASE**



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## **Wockhardt's Q1 (Apr-Jun) FY 2011**

**Consolidated Sales was ₹ 922 crore**  
**Operating Profit (EBIDTA) was ₹ 180 crore**

***Wockhardt's US, UK & India Branded Business posts double-digit growth***

**Mumbai, August 13, 2010**

Pharmaceutical and Biotechnology major Wockhardt Limited today announced its results for the first quarter ending June 30 of the financial year 2011. Consolidated sales revenues stood at ₹ 922 crore and operating profit (EBIDTA) was ₹ 180 crore. Due to exceptional items, the net loss was ₹ 116 crore.

### **USA Business:**

Wockhardt continues to stabilise and gain critical mass with technologically breakthrough product launches in the US. Wockhardt USA grew by 17% and Morton Grove Pharmaceuticals has shown a 13% growth in Apr-Jun 2010 over the corresponding period of 2009. Wockhardt USA received 2 ANDA approvals in the said quarter and now offers a product basket of 88 products in the US market.

### **Europe Business:**

Wockhardt UK has shown a robust growth of 35% compared to the industry growth of only 5.5% in Apr-Jun 2010. Growth drivers were Hospital products that grew by 16% and exports by 24%. During the said period, it also received 3 product approvals from the UK MHRA and successfully executed a multi-million pound DOH special tender. Pinewood Healthcare's domestic business has shown encouraging results with a 6% growth compared to the industry growth rate of 3% in Apr-Jun 2010. Three new products were launched in the quarter and exports were up by 12%. Negma Laboratories' beta blocking brand, Nebilox grew by 19% during the same period.

### **India Business:**

Wockhardt's India branded business grew by 16% in Apr-Jun 2010 over the corresponding period of 2009 thus improving its rank to 14 with a market share of 2% as per AIOCD-AWACS, June 2010. The Nutrition business grew by 28%, the generics business grew by 26% and exports grew by 63%. Wockhardt's Power Brands have shown consistent growth of 22%.

### **About Wockhardt**

Wockhardt is a technology-driven global pharmaceutical and biotechnology major with an innovative multi-disciplinary research and development programme. It has 5 research centres and 14 world-class manufacturing plants dotting various countries and continents that are compliant to international regulatory standards such as the US FDA, UK MHRA and other global regulatory bodies. It has end-to-end integrated capabilities for its products, starting with manufacture of the oral and sterile API's, the dosage forms and marketing through its wholly owned subsidiary in the US. Wockhardt has a global footprint including the US, UK, Ireland and France with a multi-ethnic workforce from 14 different nationalities.

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS**  
**FOR THE QUARTER ENDED 30TH JUNE, 2010**

(Rs. in Million)

PARTICULARS	QUARTER ENDED 30/06/2010	% TO SALES	QUARTER ENDED 30/06/2009	% TO SALES	GROWTH %	FIFTEEN MONTHS ENDED 31/03/2010	% TO SALES
Income from Operations	9,216	100.0	9,542	100.0	(3.4)	45,014	100.0
Total Expenditure	7,414	80.4	7,863	82.4	(5.7)	36,783	81.7
a) (Increase)/Decrease in stock	36	0.4	335	3.5	(89.3)	316	0.7
b) Consumption of raw material	2,411	26.2	2,476	25.9	(2.6)	11,841	26.3
c) Purchase of Finished Goods	1,630	17.7	1,549	16.2	5.2	7,561	16.8
Material Consumption	4,077	44.2	4,360	45.7	(6.5)	19,718	43.8
d) Staff Cost	1,313	14.2	1,460	15.3	(10.1)	6,944	15.4
e) R & D expenditure	157	1.7	139	1.5	12.9	668	1.5
f) Other expenditure	1,867	20.3	1,904	20.0	(1.9)	9,453	21.0
Other Expenditure	3,337	36.2	3,503	36.7	(4.7)	17,065	37.9
Gross Profit before Interest, Depreciation & Taxation	1,802	19.6	1,679	17.6	7.3	8,231	18.3
Interest/ Financing Cost							
(a) Interest	644	7.0	779	8.2	(17.3)	3,425	7.6
(b) (Income)/Expense due to Exchange Rate Fluctuation	(205)		(264)			259	
(c) Premium on FCCB	-		88			268	
Gross Profit after Interest but before Depreciation & Taxation	1,363	14.8	1,076	11.3	-	4,279	9.5
Depreciation	294	3.2	302	3.2	(2.6)	1,481	3.3
Profit after Interest & depreciation	1,069	11.6	774	8.1	38.1	2,798	6.2
Other Income	37	-	84	-	-	295	-
Exceptional Item Profit/(Loss)	(2,156)		(2,646)			(12,949)	
Profit/(Loss) before Tax	(1,050)	(11.4)	(1,788)	(18.7)	41.3	(9,856)	(21.9)
Provision for Taxation	29		69			278	
Fringe Benefit Tax	0		0			9	
Deferred Taxation	60		35			(120)	
Profit/(Loss) After Tax	(1,139)	(12.4)	(1,892)	(19.8)	39.8	(10,023)	
Add: Share of Profit/(Loss) from Associates	(24)		(6)			16	
Net Profit/(Loss)	(1,163)	(12.6)	(1,898)	(19.9)	38.7	(10,007)	(22.2)
Paid-up Equity Share Capital (Rs 5/-each)	547		547		-	547	
Reserves excluding Revaluation Reserve (as per last audited Balance-Sheet)	-		-		-	(516)	
<b>Earning Per Share</b>							
Basic Earning Per Share (Rs)	(10.63)		(17.34)			(91.44)	
Diluted Earning Per Share (Rs)	(10.63)		(17.34)			(91.44)	
Public Shareholding							
- Number of Shares	28,202,555		28,193,643			28,202,555	
- Percentage to Paid-up Capital	25.77%		25.76%			25.77%	
Promoters and promoter group shareholding							
a) Pledged/ Encumbered							
- Number of shares	67,708,917		57,878,000			4,300,000	
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	84.02%		71.82%			5.34%	
-Percentage of shares (as a % of the total share capital of the Company)	61.87%		52.89%			3.93%	
b) Non-encumbered							
- Number of shares	12,876,465		22,707,382			76,285,382	
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	15.98%		28.18%			94.66%	
-Percentage of shares (as a % of the total share capital of the Company)	11.77%		20.75%			69.70%	

**Notes To Consolidated Financials:-**

- 1) The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on August 13, 2010 and have been subjected to Limited Review by the Auditors.
- 2) The outstanding liabilities of the Company are being restructured under the aegis of Corporate Debt Restructuring (CDR) Scheme. As required under the Scheme the Master Restructuring Agreement (MRA) and other necessary documents have been executed and effective. The CDR scheme comprehensively covers the FCCB liabilities and crystallized derivatives/ hedging liabilities. In respect of unilaterally terminated contracts pertaining to crystallised derivatives/hedging liabilities which are disputed, the amount payable is presently not ascertainable and hence not provided.
- 3) Exceptional items for the quarter ended June 30, 2010 includes Mark-to-Market (MTM)/ realised loss of Rs. 1,572 million, settlement of loan/disputed derivative liabilities Rs. 343 million.
- 4) As per CDR Scheme, during the quarter, Company has issued 11,486,043 Non Convertible Cumulative Redeemable Preference Shares of Rs. 57 million to various banks, which are redeemable at premium in the year 2018.
- 5) As on April 1, 2010 the Company had no investors complaints pending. During the quarter, the Company has not received any complaints. Accordingly, no complaints are pending as on June 30, 2010.
- 6) The Company is exclusively into Pharmaceutical business Segment.
- 7) Previous period figures have been recast/ re-classified to conform to the current period's presentation.